

AGENDA



Recommendation for Board Action

AUSTIN HOUSING FINANCE CORPORATION (AHFC)

AHFC Meeting: October 19, 2017

Item Number: **AHFC007**

Consent

Approve an inducement resolution for private activity bond financing to be submitted to the Texas Bond Review Board for an allocation of up to \$10,000,000 in private activity volume cap multi-family non-recourse bonds, by Elysium Grand, LP, or an affiliated entity, for a proposed affordable multi-family development to be known as Elysium Grand and located at 3300 Oak Creek Drive.

District(s) Affected: District 7

Fiscal Note	There is no fiscal impact. A fiscal note is not required.
For More Information	Rosie Truelove, Austin Housing Finance Corporation Treasurer, 512-974-3064; David Potter, Program Manager, 512-974-3192.

Additional Backup Information:

Approval of this inducement resolution will permit staff to submit an application to the Texas Bond Review Board requesting consideration to authorize the Austin Housing Finance Corporation (AHFC) to issue multi-family housing revenue bonds in an amount up to \$10,000,000 to assist with the development of Elysium Grand by Elysium Grand, LP, or an affiliated entity. The property is located in Council District 7.

Regulations governing the issuance of revenue bonds for the purpose of financing affordable housing specify that the bonds are non-recourse, and the full faith and credit of the AHFC or the City of Austin is not pledged to repay the bonds.

Proposed Project

The proposed development is for 85 units to be located on Oak Creek Drive. Financing for the development is proposed to come from non-competitive 4% Low Income Housing Tax Credits, the Private Activity Bonds issued by AHFC, and Rental Housing Development Assistance (RHDA) funding from AHFC.

Estimated Sources & Uses of Funds

<u>Sources:</u>	<u>Uses:</u>
Private Activity Bonds \$ 9,400,000	Acquisition \$ 2,000,000
Tax Credits 3,664,913	Hard Costs 10,078,777
Requested AHFC funding 3,720,000	Soft & Carrying Costs <u>5,673,752</u>
Deferred Developer Fee <u>967,616</u>	Total \$ 17,752,530
Total \$17,752,530	

Population Served

The development will be a mixed-income community and will include 25 Veteran Affairs Supportive Housing (VASH) Project-based Vouchers and an on-site case manager.

- 12 units at 30% MFI (currently \$22,000 for a 3-person household);
- 40 units at 50% MFI (currently \$36,650 for a 3-person household);
- 20 units at 60% MFI (currently \$43,980 for a 3-person household);
- 13 units will have no income restrictions.

Project Attributes

- The approximate unit mix will include:
 - o 22 1-bedroom units; approximately 700 square feet;
 - o 45 2-bedroom units; approximately 855 square feet;
 - o 18 3-bedroom units; approximately 1,140 square feet.
- The services to be provided are based on the interests and needs of the residents. Proposed residential services are to be provided by a third party (Skillpoint Alliance), and will likely include job training, computer efficiency classes, and summer camp for children.
- On-site amenities will likely include a business center, fitness center, media room, indoor/outdoor flex space, barbecue grills, bike parking, covered picnic pavilion, a children's playground, and a furnished community room.

Current Property Tax Status and Future Impact

The property is currently not exempt from taxation. The Travis Central Appraisal District would make a determination on any tax exemptions for which the property may qualify in the future.

Saigebrook Development, LLC (an affiliate of Elysium Grand, LP)

According to information provided by the developer, Saigebrook Development and its Principal, Lisa Stephens, have specialized in providing first-class affordable and workforce housing

communities in urban core and suburban areas since 1996. Ms. Stephens has secured 18 allocations of Housing Tax Credits in Texas and has financed and closed approximately 5,000 units in the southern United States. Elysium Grand will be Saigebrook Development's third development in Austin.

For more information on the proposed project, as well as socioeconomic characteristics and amenities in the surrounding area, please see the project's Development Information Packet here:

<http://austintexas.gov/page/fy-16-17-funding-applications>